



national association of state student grant and aid programs

To: NASSGAP members
From: Dennis Obergfell
Date: August 15, 2000
Re:

- Opps.... They did it Again. Speared by Another Presumptuous Assumption. The Fed Ex Files
• Student Portal Parties. Tuning in on the Student Channel
• NASSGAP Annual Survey Pilot is on line and prepared for take off.
• NASSGAP 2001 & 2002 Spring Conference dates and location are set
• Providence in Providence
• Meteor Showers
• Headline of the Month

As we inch closer to our Fall Conference in, I thought it best to bring you up to date on some things.

- Opps.... They did it Again. Another Presumptive Assumption. The Fed Ex Files

In a previous update I reported that on April 28, I sent Assistant Secretary A. Lee Fritchler a letter via Fed Ex in response to his March 26 letter to me (which I received on April 14), telling me why NASSGAP was not invited to participate in Committee I of the most recent Negotiated rulemaking session. The Assistance Secretary's March letter explained that NASSGAP was not invited to Committee I negotiations because "...the Department believed that the concerns of the state agencies were adequately represented by a number of loan organizations participating on Committee I".

I subsequently called and spoke to the Assistant Secretary and David Bergeron, the Department's Chief of Policy and Budget Development, on April 25. I explain to both that NASSGAP was not a loan organization and thus, for the reasons stated in my letter, should have been invited to participate on Committee I. I then wrote them a follow-up letter to this affect (see my May NASSGAP Update for the entire letter). In my April 28 letter, I explained that my call and the letter were intended to correct the Department's misconception that NASSGAP can be represented by "loan organizations". I commented that such presumptions were incorrect and represented the Department's profound misunderstanding of the role states play in providing financial aid to students. Specifically, I said that "Grant agencies do not presume to represent guarantors, lenders, or secondary markets, in the same way that guarantors, lenders, or secondary markets do not represent state grant agencies. This is a vital distinction that the Department must recognize". I then asked the Department to write back acknowledging this fact

Two months later, I called David Bergeron and asked when I could expect to receive Mr. Fritchler's response to my April 28 letter. David said he was certain the letter had been sent over a month ago but that it must have gotten lost in the mail. I asked if he could fax me the letter; he promised to follow up. A few weeks later I called David again asking about the response. He apologetically told me that no response had been written, but that I could expect one soon.

Finally, I received "The Letter" (see below) in August. I was stunned by the response. Assistant Secretary Fritchler's states in the letter that "The Department recognizes that NASSGAP hold a unique role in representing both state grant agencies and guarantee agencies and provides a valuable perspective on issues that affect them. We certainly appreciate the valuable contributions that NASSGAP provided through its representative to the Committee II during the most recently completed negotiated rulemaking sessions. I hope this clarifies the Department's understanding of NASSGAP..."

Go figure. I immediately called David Bergeron and politely demanded an explanation. I asked him if anyone even read my letter. If they had, I argued, then how could he explain the response? I asked him to send another letter that declares in no uncertain terms that the Department understands that NASSGAP is not a loan organization, but rather is an organization that represents state agencies that administer state-funded financial aid programs. He agreed to send another letter. I'm waiting for the response and will forward it to the membership once I receive it.

All things considered, the tone of our conversation was actually quite positive. In fact, we did talk about Douglas Program relief. David seemed to think that in time there might be an opportunity to make some progress in this regard. He promised to contact me at later date to discuss the possibilities further. Assistance Secretary Fritchler's August 1 letter follows.



UNITED STATES DEPARTMENT OF EDUCATION

OFFICE OF POSTSECONDARY EDUCATION

AUG - 1 2000

THE ASSISTANT SECRETARY

Dennis A. Obergfell
President, NASSGAP
State Student Assistance Commission of Indiana
150 W. Market Street
Suite 500
Indianapolis, Indiana 46204

Dear Mr. Obergfell:

Thank you for your letter of April 28, 2000, regarding the role that the National Association of State Student Grant and Aid Programs (NASSGAP) should play in the Federal student aid matters that affect states. I apologize for the delay in my response and for being unable to accept your invitation to meet with representatives of your association during its spring conference.

The Department recognizes that NASSGAP holds a unique position in representing both state grant agencies and guarantee agencies and provides a valuable perspective on issues that affect them. We certainly appreciate the valuable contributions that NASSGAP provided through its representative to Committee II during the most recently completed negotiated rulemaking sessions.

I hope this clarifies the Department's understanding of NASSGAP, and I look forward to continuing to work with the association on issues affecting Federal student financial aid. While we have not decided whether to conduct negotiated rulemaking, we particularly welcome your thoughts about what issues you believe we should consider regulatory change next year. If you have any thoughts in this regard, I would encourage you to contact Maureen McLaughlin or me.

Sincerely,

A handwritten signature in black ink, appearing to read "A. Lee Fritchler", with a long horizontal line extending to the right.

A. Lee Fritchler

- **Student Portal Parties. Tuning in on the Student Channel**

On Monday, July 10, I attended the NASFAA conference in Washington D.C. Among the sessions I attended was "An Industry Approach to Secured Customer Access through a Student Portal Account. The panel of presenters was:

Jeanne Van Vlandren, Department of Education
Student Financial Assistance
General Manager, Students Channel

Charlie Coleman, Director, Innovations
OSFA CIO U.S. Department of Education

Helen Sims, NACHA
Senior Director Public/Private Partnerships

Patrick Kaiser VP for Student Services
Vermont Student Assistance Corporation

Jim Newell, Department of Education
Program Analyst

After everyone made their presentations, I asked what steps the group was making to include states grant agencies insofar as how the student portal was being developed and engineered. Each panelist turned to person next to them until the answer was left to the person who had the misfortune of being seated at the end of the table. He commented that he believed NASSGAP was being consulted on the matter. I said that as President of NASSGAP, I was unaware that our organization had been consulted or approached on the subject. After the session, Jean mentioned that the panel was part of a newly formed group she was trying to put together and asked if I was interested in participating in future meetings. I accepted. Below is a follow up letter I sent to the panel and others confirming our discussions and my concerns about the process. I received an email back from Jeanne Van Vlandren yesterday afternoon. We'll see what comes from it all, but I'm encouraged by the response. At least I got one.

July 17, 2000

All: (Jeanne Van Vlandren, Charlie Coleman, Helen Sims, Jim Newell, and Patrick Kaiser)

It was good to meet you all in DC at the NASFAA conference. I found the "An Industry Approach to Secured Customer Access through a Student Portal Account" session insightful. I'm intrigued about the ideas discussed at the session, and am particularly interested in how state grant agencies will be involved/represented in subsequent discussions.

As I mention after the session, state grant agencies collectively award over \$3.7 billion a year in state-funded need and non-need based awards to students every year. Thus, the National Association of State Student Grant and Aid Programs (NASSGAP) believes states need to be included in discussions related to proposed access protocols for providing students and other customers secure access to their data, regardless of where the data is physically stored.

NASSGAP is interested in the Department's initiative to develop concrete business rules for the secured exchange of student financial aid and requests that NASSGAP, on behalf of state grant agencies (most of whom are not loan guarantors), be involved in this process. That said, it is worth noting that NASSGAP is not a Washington based organization, and that our funds are limited. Consequently, NASSGAP is concerned about being priced-out of this public policy process if we have to pay substantial fees to join organizations, such as PESC, in order to participate. We are also concerned about travel-related costs that the organization might incur if a member would need to attend meetings in DC. I look forward to subsequent discussions regarding this matter.

Sincerely

Dennis Oberfell
President
NASSGAP

Jean Van Vlandren's Response:

August 14, 2000

Mr. Obergfell,

It was good to meet you at the NASFAA conference. As you could probably tell from the presentations, we are very excited about the Student Portal Account project.

One of the primary goals of the Student Portal Account Workgroup will be to develop a data interchange standard that will facilitate global sharing. The Workgroups detailed Business Rules will outline the agreed upon transaction formats, as well as the security issues. For this process to be successful, we will need input from many sources, including NASSGAP.

We envision that much of the Workgroup's exchanges will be through scheduled conference calls and e-mails. Our hope is to keep travel-related costs at a minimum.

As we move forward on this idea, we look forward to your participation and input.

Sincerely,

Jeanne Van Vlandren
General Manager, Students Channel
Student Financial Assistance

- **NASSGAP Annual Survey Pilot is on line and prepared for take off.**

At our meeting in San Diego I announced that I was fortunate enough to have a very bright student (Keith Lively) work for my agency last summer. I asked him to explore what it would take to put the NASSGAP survey online via the NASSGAP web site. By the time he left for his senior year at Dartmouth, he developed the online survey. I was happy and Keith was pleased that for once his summer work would mean something. For a **host** (literally) of reasons the web hosting provider's hardware "upgrade" disabled parts of the survey. For obvious reasons, we have since switched web hosting companies.

All is not lost. Things have been fixed (I hope) and the survey is ready to be tested. The survey on the web is a pilot and **DOES NOT** replace the survey you completed and returned to the New York Higher Education Services Corporation this year. However, I am asking you to complete the survey on the web using the same data you gave for our last published survey. To get started:

1. Go to NASSGAP's web site.
2. Click on "Members Only".
3. Click on Annual Survey.
4. Read the survey instructions.

To log in, select your state from the list (drop down menu) and enter your state's password. Don't tell anyone but each state's password is the two-letter state abbreviation followed by the numeral 1. For Example: IIN for Indiana (upper case sensitive). After you log in, you may change your state's password by clicking the "Change Password" link at the upper-left-hand corner of the menu page. It will open in a new window--close that window to return to the menu page.

After you select your state and click the "Start the Survey" button at the bottom of the page, you will be presented with a menu page listing all the parts of the survey. Click on a program name in any category to:

1. Enter new information
2. Update your information
3. Review what you have entered

Try it. You have until September 30, 2000 to complete the survey. I'll give you an update at our fall conference.

- **NASSGAP 2001 & 2002 Spring Conference dates and location are set**

NASSGAP's spring conferences have been set for June 10-13, 2001 and June 8-11 in 2002. The conference will be held again at the Jurys Hotel. The room rates will increase by \$5.00 each year but our meeting room will cost less than what we paid this year. I think the contract is good for both sides.

- **Providence in Providence**

Mary Ann Welsh recently mailed out the fall conference registration materials to the membership. If you haven't received them yet, please call Mary Ann at (401) 736-1171 or via email at contact her at mawelch@riheaa.org. The conference will be held at the Biltmore Hotel Kennedy in Providence RI. Room **reservations** must be made directly with the hotel **by SEPTEMBER 1, 2000**.

The hotel phone number is 800-294-7709. NASSGAP's rate is \$135 per night. Make sure you tell the reservations desk you're with NASSGAP. There is a \$9.00 airport shuttle at the airport that will take you to the hotel or you can take a cab for around \$24.00

Mary Ann Welsh and Bill Hurry are trying to get Senator Jack Reed to speak and to recognize him and Representative Goodling (PA) for their work in the area of education. There are plenty of good sessions planned so make your reservations today. The Conference Gods will look kindly upon all of those who attend.

- **Meteor Showers, The Project**

Some of you may have heard of the Meteor Project. If not, you might want to check out the following web site at www.immagic.com/meteorproject/. Advertised as an Open Standard Component Prototype for Student Aid Information Services, the Meteor Project is an effort by its sponsors (see the site) to develop and implement data and messaging standards and associated open standard software components. I don't know much about it other than to say that while it may be complimentary to the Modernization Blueprint goals, it is not a Department of Education initiative. And while I appreciate the Project's awareness and inclusiveness insofar as state grant agencies are concerned, contrary to what is stated on the web site, NASSGAP has not officially been consulted about this project. See the paragraph below.

"State scholarship and aid programs are very important in many states. Knowing the availability of these programs and the status of an application or award could be influential for a potential student's decision. Initial discussions have been held with the National Association of State Scholarship and Aid Programs (NASSGAP)(emphasis added) and the several state agencies that also guaranty loans. These discussions will be expanded and should lead to an extension of the standards incorporated in Meteor. State grants will also be included in SFA's Common Origination and Disbursements task. By extending the messaging capabilities, state grants can be accommodated over the network."

If you check out the web site, you'll find that several NASSGAP members are sponsors of the project. A couple of members, including myself, did meet informally with Jim Farmer from instructional media and magic inc. (host of the Meteor web site and presumably very much involved with the project's development), after one of our spring conference sessions. We discussed Common Origination and Disbursement issues and other matters that are of interest to states, but nothing specifically was discussed about the Meteor Project.

- **The Meteor Showers, The Perseids**

Now this is interesting stuff. According to Gary W. Kronk's Comet and Meteor Shower web site <http://comets.amsmeteors.org/meteors/calendar.html> Activity from the Perseids meteor shower is visible from about July 23 until August 22. The site states that this is the most famous of all meteor showers.

The earliest record of its activity appears in the Chinese annals, where it is said that in 36 AD "more than 100 meteors flew thither (thither?) in the morning." The Perseids have been referred to as the "tears of St. Lawrence", since meteors seemed to be in abundance during the festival of that saint on August 10th, but credit for the discovery of the shower's annual appearance is given to Quételet (Brussels), who, in 1835, reported that there was a shower occurring in August that emanated from the constellation Perseus. This is your history lesson for the day.

- **Headline of the Month**

It has been lean month for headlines. But another mystery has been solved by the *Weekly World News*. Time Travelers not Space Aliens are Abducting Human Beings. "*There're no more concerned about snatching a healthy man or woman than an angler would be over landing a fat bluegill.*" Oh, and in case you need reassurance, it is reported that Elvis is Still Alive. I thought I heard recently that he had just left the building. Guess I just missed

him. His absence can be attributed to the fact that he was abducted by time travelers to sing at the Weight Watchers' Y3K convention. Bluegills were served for lunch.

- **Final thought:** Any interest in developing a NASSGAP logo? We can discuss in Providence.